United Nations A/C.5/66/SR.11

General Assembly
Sixty-sixth session

Official Records

Distr.: General
18 January 2012

Original: English

Fifth Committee

Summary record of the 11th meeting
Held at Headquarters, New York, on Friday, 21 October 2011, at 3 p.m.

Chair: Mr. Tommo Monthe ..... (Cameroon)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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The meeting was called to order at 3.10 p.m.

Agenda item 135: Programme planning (*continued*) (A/C.5/66/L.3)

Draft resolution A/C.5/66/L.3: Programme planning

1. *Draft resolution A/C.5/66/L.3 was adopted.*

Agenda item 134: Proposed programme budget for the biennium 2012-2013 (*continued*)

Construction of additional office facilities at the United Nations Office at Nairobi (A/66/7/Add.3 and A/66/336)

Progress in the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa (A/66/7/Add.3 and A/66/351)

Strategic heritage plan of the United Nations Office at Geneva (A/66/7/Add.3 and A/66/279)

Feasibility study on the United Nations Headquarters accommodation needs 2014-2034 (A/66/7/Add.3 and A/66/349)

2. **Mr. Sach** (Assistant Secretary-General for Central Support Services) introduced the Secretary-General's reports on the construction of office facilities at the United Nations Office at Nairobi (A/66/336) and the Economic Commission for Africa (ECA) in Addis Ababa (A/66/351), the strategic heritage plan of the United Nations Office at Geneva (A/66/279) and United Nations Headquarters accommodation needs 2014-2034 (A/66/349).

3. The new office facility at Nairobi, begun in May 2009, had been substantially completed by December 2010 on schedule and on budget. Occupancy by the United Nations Environment Programme (UNEP) and the United Nations Human Settlements Programme (UN-Habitat) had taken place between January and March 2011. By September 2011 the vacated office space had been redistributed to other United Nations agencies, funds and programmes.

4. At ECA the ongoing close collaboration with the host Government, combined with the accelerated work programme initiated in 2011, had had a positive impact. However, a local shortage of cement had pushed back the completion date to August 2012. Construction was over 30 per cent complete. Auxiliary projects and site works were being implemented in coordination with the overall construction schedule. Those projects had been prioritized to ensure functionality upon completion. The ECA project management team had been strengthened and was receiving hands-on support from Headquarters.

5. Initial errors in the cost estimates by the construction management consultant meant that some $734,000 out of a contingency provision of $925,186 would be encumbered. Every effort would be made to control costs through value engineering to stay within the available budget, but success was not guaranteed. The renovation of Africa Hall, being conducted by ECA in collaboration with the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the African Union, had been budgeted for and would be carried out as funding became available.

6. With regard to the strategic heritage plan at Geneva, the Office of Central Support Services had worked closely with the United Nations Office at Geneva to incorporate best practices based on experience with the capital master plan. Key performance objectives relating to optimization of facilities, compliance with regulatory codes, reduction of energy consumption, upgrading information and communication facilities and ensuring business and operational continuity had been established.

7. Three options: a five-year fast-track option, an eight-year medium-term implementation option, and a long-term implementation option over 13 years, had been considered, taking into account the swing space required. The eight-year option was recommended, as having the lowest cost while being the least disruptive and meeting all the key performance objectives. Projected costs were in the order of CHF 618 million.

8. The next steps would include recruitment of a project management team at a cost of $1,164,600 for the biennium 2012-2013, and the hiring of a programme management firm at a cost of $2.8 million for the biennium. The Government of Switzerland, subject to approval by parliament, would contribute CHF 50 million for renovation measures at the Palais des Nations that would result in energy savings.

9. In response to the request of the General Assembly for a long-term strategy for office accommodation at Headquarters, including the feasibility of a building on the North Lawn, a feasibility study on Headquarters accommodation needs from 2014 to 2034 had been conducted, taking

into account architectural, security and host city issues. The study, carried out by an international architectural consultancy firm, had been overseen by a steering committee of senior officials from across the Organization, with the objective of providing high-level guidance and ensuring that all key aspects were validated by senior management. The alternatives considered included constructing a new building on the North Lawn, buying an existing building off campus, constructing a new building off campus, or leasing space off campus.

10. In that connection the State of New York had granted the United Nations Development Corporation approval to construct a new office building, designated UNDC-5, on the park at the south-east corner of 42nd Street and First Avenue. The agreement of local community boards would be required. Notwithstanding press reports that the United Nations would proceed with the project, he wished to stress that the Secretariat had not made any such commitment and that the parties concerned were well aware of the need for authorization by the General Assembly.

11. **Mr. Kelapile** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/66/7/Add.3), said that the Advisory Committee welcomed the completion on time and within budget of the new office facility at Nairobi. For the purpose of drawing lessons, the Advisory Committee was requesting the Secretary-General to conduct a post-completion review of the project.

12. The Advisory Committee noted the delays in the project at ECA, and welcomed the support provided by the host Government in addressing the cause of the delays. It encouraged continued close collaboration to address any other issues in a timely manner; the Office of Central Support Services should continue to provide ECA with support and guidance in project management and technical matters.

13. Regarding the strategic heritage plan for the United Nations Office at Geneva, the Advisory Committee had taken note of the deterioration of the Palais and recommended that the Secretary-General should be authorized to proceed with a detailed implementation plan and cost analysis based on the medium-term eight-year option, as offering the lowest costs while meeting all requirements. The preparation of such a plan would be without prejudice to any decisions by the General Assembly.

14. With respect to long-term accommodation needs at Headquarters, in the light of the emergence of a possible option for a new building on First Avenue, south of 42nd Street, the Advisory Committee recommended reassessment of the preferred option of a new building on the North Lawn taking into account the possibility of a lease-to-own arrangement with the United Nations Development Corporation. A detailed analysis of the costs, benefits and risks of each option and of the underlying assumptions for office space should be presented to the General Assembly no later than the second part of the resumed sixty-sixth session.

15. **Ms. Melon** (Argentina), speaking on behalf of the Group of 77 and China, said that the Group attached great importance to proper management of the Organization's property portfolio and of any construction undertaken by the Organization.

16. The Group thus welcomed the completion of construction of additional facilities at the United Nations Office at Nairobi in advance of schedule and within budget as a clear demonstration of the benefits of proper project management. Prior to the adoption of General Assembly resolution 63/263 the project had faced seemingly insurmountable difficulties, and it was only after the Assembly's intervention in 2008 that United Nations Headquarters had taken on an enhanced role in coordinating and supporting overseas property management and construction projects. In addition, dedicated project management capacity had been established to manage construction. The result was the delivery of the project well within schedule and budget.

17. The Group also welcomed the progress made in the construction of additional office facilities at ECA, and, in particular, the cooperation with the host country authorities that had resulted in proactive action to ensure that bottlenecks were dealt with expeditiously. She noted that, pursuant to General Assembly resolution 65/259, ECA, in collaboration with UNESCO and the African Union, was renovating Africa Hall. It was the expectation of the Group that the exercise would proceed expeditiously.

18. The Group of 77 and China would actively study the findings and proposals in the report on the strategic heritage plan for the United Nations Office at Geneva

(A/66/279), containing the results of the conceptual engineering and architectural study.

19. The Group reaffirmed its long-standing position that the architectural integrity of the United Nations complex in New York must be preserved. Any proposal to accommodate Headquarters needs must be in line with the original design. The Group would examine the various proposals before the Committee in the light of those considerations, taking into account the observations and recommendations of the Advisory Committee.

20. **Mr. Coffi** (Côte d'Ivoire), speaking on behalf of the Group of African States, noted the importance of proper maintenance and rehabilitation of all the Organization's facilities worldwide. He welcomed completion of the additional office facilities at Nairobi. He also welcomed the renovation of the facilities at ECA, including of Africa Hall, which should take full account of the historical aspects of the Hall. The Group intended to request information regarding security, parking, and discrepancies between the architectural design and actual construction. Lastly, the Group would seek further details of the strategic heritage plan for Geneva and of Headquarters accommodation needs in informal consultations.

21. **Mr. Dettling** (Switzerland), speaking also on behalf of Liechtenstein, said that the Palais des Nations in Geneva was a historical monument dating back to the League of Nations. It was the cradle of multilateralism and its archives embodied the memory of the international community, whose responsibility it was to respect that unique heritage.

22. For the United Nations to be strong and able to implement its mandates it was essential for Member States to provide it with safe and effective operational infrastructures. The capital master plan met that requirement at Headquarters in New York, and the strategic heritage plan, which offered incontrovertible benefits, would do the same for the European headquarters of the United Nations in Geneva.

23. Renovation would allow reorganization of the premises and free up enough space to accommodate an additional 700 staff and thus consolidate a number of services in the Palais, with a consequent saving in real estate leases. It would make it possible to ensure compliance with local and international building standards for fire prevention, security, health and accessibility. Modernization of the facilities would also reduce energy consumption by 25 per cent. Lastly, complete renovation would halt the steady rise in maintenance costs.

24. The increasing maintenance problems meant that the United Nations Office at Geneva might soon no longer be able to provide its users with functional facilities. The current, purely reactive, approach would ultimately be more costly than renovation. There was an urgent need for action: construction work should begin as soon as work on the capital master plan at Headquarters in New York had been completed.

25. The two delegations agreed that the medium-term implementation option over eight years was the most cost-effective, and welcomed the endorsement of that view by the Advisory Committee. The medium-term option would make it possible to achieve the objectives of the project while maintaining the functional and operational continuity of the Organization. In order for the planning and preparation stage to proceed without delay, it was essential for the necessary funds to be allocated in the budget for the biennium 2012-2013.

26. The commitment of the Member States was the key to preserving the United Nations Office at Geneva as a centre of multilateral diplomacy. As host State, his Government fully supported the project, and had made a voluntary contribution of CHF 50 million, subject to parliamentary approval, for energy-saving measures. He urged other Member States to support the project.

27. **Mr. Hassan** (Ethiopia) welcomed the progress made in the construction of additional office facilities at ECA. As a result of the close collaboration between ECA and the host Government and the accelerated programme of work put in place by the contractor, 30 per cent of the construction work had been completed.

28. The Government of Ethiopia and the Addis Ababa city administration had taken a number of measures to support the project in a continuation of the long-standing commitment to ECA. In particular, the issue of timely delivery of construction materials was being adequately addressed. His Government would continue to provide its full support to expedite completion of the project on schedule.

29. He commended ECA, in cooperation with UNESCO and the African Union, on its renovation of Africa Hall. He trusted that renovation of the Hall

would make it a modern conference facility, incorporating exhibition and museum spaces.

30. He noted with appreciation that the new building in Nairobi had been fully occupied by March 2011, well within schedule and budget.

31. **Mr. Sach** (Assistant Secretary-General for Central Support Services) said that he would address the issues raised concerning Addis Ababa in informal consultations. The Secretariat would work on the basis of the Advisory Committee's very acceptable recommendations.

The meeting rose at 4.05 p.m.